

## Federal Acquisition Regulation

46.404

for conformance with contract quality requirements.

[48 FR 42415, Sept. 19, 1983, as amended at 62 FR 44816, Aug. 22, 1997]

### **46.402 Government contract quality assurance at source.**

Agencies shall perform contract quality assurance, including inspection, at source if—

- (a) Performance at any other place would require uneconomical disassembly or destructive testing;
- (b) Considerable loss would result from the manufacture and shipment of unacceptable supplies, or from the delay in making necessary corrections;
- (c) Special required instruments, gauges, or facilities are available only at source;
- (d) Performance at any other place would destroy or require the replacement of costly special packing and packaging;
- (e) Government inspection during contract performance is essential; or
- (f) It is determined for other reasons to be in the Government's interest.

[48 FR 42415, Sept. 19, 1983, as amended at 60 FR 48250, Sept. 18, 1995; 63 FR 70290, Dec. 18, 1998]

### **46.403 Government contract quality assurance at destination.**

(a) Government contract quality assurance that can be performed at destination is normally limited to inspection of the supplies or services. Inspection shall be performed at destination under the following circumstances—

- (1) Supplies are purchased off-the-shelf and require no technical inspection;
- (2) Necessary testing equipment is located only at destination;
- (3) Perishable subsistence supplies purchased within the United States, except that those supplies destined for overseas shipment will normally be inspected for condition and quantity at points of embarkation;
- (4) Brand name products purchased for authorized resale through commissaries or similar facilities (however, supplies destined for direct overseas shipment may be accepted by the contracting officer or an authorized representative on the basis of a tally sheet evidencing receipt of shipment

signed by the port transportation officer or other designated official at the transshipment point);

(5) The products being purchased are processed under direct control of the National Institutes of Health or the Food and Drug Administration of the Department of Health and Human Services;

(6) The contract is for services performed at destination; or

(7) It is determined for other reasons to be in the Government's interest.

(b) Overseas inspection of supplies shipped from the United States shall not be required except in unusual circumstances, and then only when the contracting officer determines in advance that inspection can be performed or makes necessary arrangements for its performance.

### **46.404 Government contract quality assurance for acquisitions at or below the simplified acquisition threshold.**

(a) In determining the type and extent of Government contract quality assurance to be required for contracts at or below the simplified acquisition threshold, the contracting officer shall consider the criticality of application of the supplies or services, the amount of possible losses, and the likelihood of uncontested replacement of defective work (see 46.202-2).

(b) When the conditions in 46.202-2(b) apply, the following policies shall govern:

(1) Unless a special situation exists, the Government shall inspect contracts at or below the simplified acquisition threshold at destination and only for type and kind; quantity; damage; operability (if readily determinable); and preservation, packaging, packing, and marking, if applicable.

(2) Special situations may require more detailed quality assurance and the use of a standard inspection or higher-level contract quality requirement. These situations include those listed in 46.402 and contracts for items having critical applications.

(3) Detailed Government inspection may be limited to those characteristics that are special or likely to cause harm to personnel or property. When repetitive purchases of the same item are